

DATA CENTERS & ELECTRIC RATES

MYTH

“Data centers will drive up my electric rates.”

REALITY

When carefully evaluated and structured appropriately, data centers can help support long-term rate stability.

HERE'S WHAT'S HAPPENING

1

Most of your electric bill covers fixed system costs

Your bill helps pay for the long-term infrastructure that keeps power reliable — overhead and underground wire, transformers, substations, and the regional grid.

These fixed costs exist whether usage rises or falls.

2

Large loads help cover more of those fixed costs

Large loads, such as data centers or major commercial projects, pay 100% of the new infrastructure required to serve them and contribute significantly to existing system costs.

Spreading fixed costs across more contributors can help stabilize rates.

3

Rates may still change

Inflation, material costs and wholesale power prices continue to influence rates.

Large loads cannot eliminate these pressures, but their contributions help reduce them.

4

Dakota Electric's Board protects members

All large load agreements are reviewed by Dakota Electric's member-elected Board of Directors.

Projects do not move forward if they will have a negative financial impact or compromise reliable service for existing members.

KEY TAKEAWAYS

Most electric costs are tied to long-term infrastructure. Large loads pay for the facilities they require and contribute to the broader system. All agreements are reviewed to protect members. Through careful planning and oversight, Dakota Electric remains focused on reliable, affordable service for the long term.